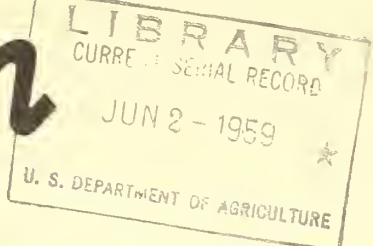


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Foreign



CROPS AND MARKETS

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CONTENTS

NUMBER 21

PAGE

COTTON

Japan To Allow Larger Cotton Imports in Current Fiscal Year	27
Canada Using More Cotton	27
Australian Cotton Imports Up	28
Austrian Cotton Imports and Consumption Down.....	28

DAIRY AND POULTRY PRODUCTS

New Zealand Producing More Butter.....	6
USDA Has Bilingual Grading Certificate for Eggs	7
Danish Poultry Meat Production Up Sharply in 1958.....	7
Germany Issues Import Tender for Poultry Meat	9
Swiss Food Distributor Plans Integrated Broiler Industry.....	9

FATS, OILSEEDS, AND OILS

Suez Canal Soybean Shipments Are Large in February.....	23
Mexico Producing Less Oilseed in 1959; Substantial Stocks Reduce Import Needs.....	24
Indian Vegetable Oil Consumption Climbs Faster Than Production	25
Yugoslav Imports and Supplies of Edible Oils High in 1959.....	26
Cuba Will Finance Plantings of Soybeans and Cottonseed.....	29
Philippine Copra Exports Reported in Detail.....	30

FOREIGN TRADE DEVELOPMENTS

Dominican-Swiss Commercial Treaty Signed.....	11
Brazil Shifts Exchange Rate for Cotton, Sugar, and Cocoa Butter.....	12
Venezuela's Agricultural Imports From U. S. Up Slightly in 1958.....	20

FRUITS, VEGETABLES, AND NUTS

Greek Currant and Sultana Exports Lower; Dried Fig Exports Higher.....	20
Mexican Vegetable Shipments Through Nogales Higher.....	21
April Shipments of Cuban Fruits and Vegetables to U. S.....	21

GRAINS, FEEDS, SEEDS, AND HOPS

Australia's Rice Crop Adequate for Larger Consumption and Exports	16
Thailand Suspends Exports of Glutinous Rice.....	17

(Continued on following page)

CONTENTS (Continued)

	Page
Communist China To Export Grains to United Arab Republic.....	17
Finland Begins Flour Exports.....	18
Australia Seeding Large Wheat Acreage.....	18
Argentine Wheat Shipments Larger in March.....	18
Canada's Spring Grain Seeding Slowed.....	20
 LIVESTOCK AND MEAT PRODUCTS	
Meat Shortage in Venezuela.....	5
Rhodesia To Export Beef.....	5
Honduras Again Permitted To Export Meat to U. S.	6
West Germany Announces Import Tender for Fatback.....	6
U. S. Meat Exports Rise.....	7
Fewer Hogs in England and Wales.....	10
Australian Beef Shipments to U. S. in April.....	12
U. S. Tallow Exports Rise During January-March.....	12
Canada Forecasts Big Jump in Hog Marketings.....	14
U. S. Lard Exports Up in First 3 Months of 1959.....	14
Italy Lifts Embargo on Beef and Veal.....	16
U. S. Meat Imports Drop.....	21
Mexico Restricts Cattle and Beef Exports to U. S.....	23
 SUGAR AND TROPICAL PRODUCTS	
Cuba Authorizes Limited Production of High-Test Molasses in 1959....	10
Ghana Mid-Crop Cocoa Producer Price Reduced.....	11
Cuban Sugar Crop Approaches Completion.....	11
Brazil's Coffee Exports Ahead of Last Season's.....	11
Cuba To Import Hard Fiber.....	12
 TOBACCO	
Sales Rise for French Cigarettes Continuing U. S. Tobacco.....	3
India Growing Less Tobacco.....	3
Dutch Imports of Unmanufactured Tobacco Larger in 1958.....	4
Japan's 1958 Tobacco Exports Up.....	5

SALES RISE FOR FRENCH CIGARETTES CONTAINING U. S. TOBACCO

Sales of French cigarettes containing U. S. leaf tobacco continued to increase in 1958. "Gitanes" brand, a dark cigarette type, showed a sales increase of 20 percent from the 1957 level. This brand contains U. S. dark fire-cured leaf.

Combined sales of 5 principal brands of cigarettes containing light U. S. tobacco rose about 10 percent from the previous year. Sales trends for individual brands were divergent, with "Royale", an American-type, king-sized filter-tip brand, up about 55 percent, and "Balto" up 7 percent. Sales of "Rallye", "Week End", and "High Life" declined.

The good gains recorded for "Gitanes" and "Royale" are especially significant in view of the extensive market development campaign undertaken jointly by the French Monopoly and the U.S. tobacco industry to encourage consumer demand for these brands.

CIGARETTES: Sales of principal French brands containing U. S. tobacco, 1956-58

Brands	1956	1957	1958
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Gitanes 1/	10,395	12,119	14,533
Royale 2/ 3/	176	600	928
Balto 2/	1,016	1,065	1,142
Rallye 2/	635	421	364
Week End 2/	399	421	397
High Life 2/	351	289	258
Total above.....	12,972	14,915	17,622
1/ Partially made from U.S. dark tobacco. 2/ Contain mostly U.S. light leaf. 3/ Introduced in mid-1956.			

INDIA GROWING LESS TOBACCO

India's 1959 tobacco crop is now expected to be lower than previously estimated. Total production is now estimated at 616 million pounds, against an earlier estimate of 672 million pounds. Five days of cloudy, damp weather in Andhra State during the first half of February also reduced the quality of the 1959 crop.

Flue-cured production in 1959 is expected to be about 100 million pounds, compared with an earlier estimate of 139 million pounds. Quality is now reported to be inferior to that of the last 2 years.

DUTCH IMPORTS OF UNMANUFACTURED TOBACCO LARGER IN 1958

Gross imports (direct and withdrawals from bond) of tobacco into the Netherlands in 1958 totaled 76.9 million pounds, compared with 72.2 million in 1957. The United States supplied nearly the same quantity in both years--about 25 million pounds--but the U.S. share in total imports dropped from 34.7 percent in 1957 to 32.5 percent in 1958.

Imports in 1958 from the United States consisted of: flue-cured, 17.4 million pounds; fire-cured, 5.9 million; Burley, 0.8 million; Maryland, 0.4 million; dark air-cured, 0.1 million; and stems, 0.2 million pounds.

Other major sources of imports in 1958 included Indonesia (9.7 million pounds), Brazil (8.2 million), the Federation of Rhodesia and Nyasaland (8.9 million), Greece and Turkey, combined (5.3 million), Italy (3.8 million), and India (3.5 million). Imports from all of these countries except Turkey were larger last year than in 1957.

TOBACCO, UNMANUFACTURED: Netherlands, gross imports,
direct and from bonded warehouses, 1956-58

Country of origin	1956	1957	1958
	<u>1,000 lb.</u>	<u>1,000 lb.</u>	<u>1,000 lb.</u>
United States.....	25,838	25,066	24,954
Indonesia.....	8,327	8,814	9,722
Brazil.....	6,482	8,186	8,194
Greece.....	2,754	1,678	2,282
Turkey.....	6,413	5,291	3,091
Rhodesias-Nyasaland.....	6,133	8,142	8,863
India.....	3,252	2,209	3,493
Canada.....	860	474	503
Italy.....	3,653	3,245	3,801
Cuba.....	2,357	2,895	2,923
Other.....	5,054	6,196	9,073
Total.....	71,123	72,196	76,899

Source: Maandstatistiek van de in-, uit-en doorvoer per goederensoort.

JAPAN'S 1958 TOBACCO EXPORTS UP

Japan's exports of unmanufactured tobacco rose to 9 million pounds in 1958--the largest since World War II. Most of the exports consisted of light, native air-cured and Burley. Japanese leaf moving into export trade is low-priced, of inferior quality, and is in excess of domestic requirements.

The largest markets in 1958 included: West Germany, 4.6 million pounds; Egypt, 1.8 million; Ryukyu Islands, 1.0 million; Hong Kong, 0.5 million; and the Netherlands, 0.4 million. Burley and native light air-cured tobacco each accounted for 4.0 million pounds of exports last year--destined principally for West Germany and Egypt. Flue-cured exports, at 0.9 million pounds, went mainly to the Ryukyus and Hong Kong, and about 100,000 pounds went to West Germany.

Export prices averaged the equivalent of U.S. 34.4 cents for Burley, 26.6 cents for native light air-cured, and 30.4 cents for flue-cured.

TOBACCO, UNMANUFACTURED: Japan, exports by country of destination, 1956-58

Country of destination	1956	1957	1958
	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Germany, West.....	51	3,006	4,568
Egypt.....	58	1,047	1,839
Ryukyu Islands.....	450	800	1,001
Hong Kong.....	30	685	553
Netherlands.....	67	1,055	443
Belgium.....	180	856	240
Tunisia.....	--	--	249
Others.....	277	339	93
Total.....	1,113	7,788	8,986

Source: Japan Monopoly Corporation.

MEAT SHORTAGE IN
VENEZUELA

Venezuela has approved the importation of over 660,000 pounds of meat because of a serious shortage in that country. The first shipment--about 7,000 pounds from Costa Rica--has already arrived.

RHODESIA TO EXPORT BEEF

A Rhodesian Government spokesman recently stated that Rhodesia plans to export chilled beef to the United Kingdom to take advantage of the present high prices there. Rhodesia is now self-sufficient in beef, and previous trial shipments to the United Kingdom (see Foreign Crops and Markets, March 2, 1959) are said to have been well received.

Rhodesia hopes to export the beef from about 26,000 head of cattle per year to the United Kingdom.

HONDURAS AGAIN PERMITTED TO EXPORT MEAT TO U. S.

The U. S. Federal Register of May 8 included Honduras on the list of countries approved for meat exports to the United States. Shipments cannot be made until 30 days after the May 8 publication date. U. S. meat imports from Honduras were stopped in mid-February.

At present, only one Honduran packing plant is approved to export meat to the United States. Thus, meat exports to the United States as a result of this approval action will be relatively small. Beef and beef products are expected to be the principal meats shipped.

Honduras, with over a million head of cattle and about half million head each of hogs and sheep, does not have large meat surpluses. Virtually all Honduran cattle are grass fed. Annual meat production is reported to be around 25 million pounds of beef, 5 million pounds of pork, and 200,000 pounds of lamb and mutton. Past meat exports to the United States were mostly during times of short supply and high prices in the United States.

WEST GERMANY ANNOUNCES IMPORT TENDER FOR FATBACK

On May 19, 1959, West Germany published an import tender for fatback. The specifications are as follows:

1. Individual licensing procedure will be followed.
- a. Applications for licenses will be accepted through May 29, 1959.
3. Only firms which have imported fatback from the United States or Canada since August 1957 may apply for licenses.
4. License applications from individual firms may not exceed 40 metric tons.
5. An importer who has imported the allocated quantity may apply for a new license 21 days after issuance of the preceding license as long as the quantity limit is not exhausted, but not later than January 29, 1960.
6. Import licenses will be valid for customs clearance of product for 90 days from date of issue, but not after February 29, 1960.
7. Veterinary regulations must be complied with.

NEW ZEALAND PRODUCING MORE BUTTER

Production of butterfat in New Zealand during the first 8 months of the 1958-59 season ending February 28 was slightly above last season. Butter output at 406.6 million pounds was 2.5 percent ahead of a year ago, while cheese production in the same period dropped 13.2 percent to 152.6 million pounds.

Conditions for dairy products production are reported to be excellent throughout most of the country. With both stock and pastures in good shape, the outlook for the remainder of the season is very favorable.

USDA HAS BILINGUAL GRADING
CERTIFICATE FOR EGGS

The U. S. Department of Agriculture has issued a new bilingual egg-grading certificate to be used on egg shipments destined for Spanish-speaking countries.

The provisions of the certificate are stated in both English and Spanish and have been developed particularly to meet the certification needs for U. S. eggs destined for Venezuela. Venezuela is the largest customer for U. S. shell eggs.

New Venezuelan standards for quality and requirements for the marking of shell eggs which went into effect November 1 are now being enforced. It is believed that the bilingual certificate will help U. S. exporters of shell eggs to interpret Venezuelan requirements.

DANISH POULTRY MEAT PRODUCTION
UP SHARPLY IN 1958

Danish commercial production of poultry meat totaled 55 million pounds in 1958, or 36 percent more than in 1957.

In terms of weight, broiler output increased 59 percent and hen output increased about 25 percent. However, the number of broilers slaughtered in 1958 increased only 43 percent, and the numbers of hens slaughtered increased only 16 percent, indicating a trend toward production of larger and heavier chickens.

The quality of broilers is reported to have improved considerably during recent years. Danish poultry producers realize they must continue to improve quality, and reduce costs of production, if they are to compete in future export markets. A Danish poultry cooperative has approved a resolution requesting the Ministry of Agriculture to permit imports of poultry breeding stock (see Foreign Crops and Markets, April 27, 1959).

U.S. MEAT EXPORTS RISE

U.S. exports of red meat and meat products during the first quarter of 1959 were 13 percent above the same quarter in 1958. This increase was due to sharp rises in exports of pork and variety meats, which recovered from their low levels of mid-1958. Beef exports remained low (see table, page 8)

Meat exports during the remainder of 1959 are expected to continue well above 1958 levels. Heavy production and lower prices for pork and pork products, coupled with steady foreign demand, are expected to push exports of these products up in the foreseeable future. Beef exports are expected to remain low. Variety meat exports are expected to increase sharply over 1958 levels. Exports to West Germany and the Netherlands will probably reach record or near-record levels. Shipments of beef variety meats to the United Kingdom are also expected to increase.

MEAT AND MEAT PRODUCTS: U.S. exports, product weight basis,
by quarters, 1958 and 1959

Commodity	1958					1959
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Dec.	Jan.-Mar.	
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Beef and veal:						
Fresh or frozen.....	1,766	1,480	1,242	2,323	1,953	
Canned.....	512	418	311	462	575	
Pickled or cured.....	4,110	3,242	3,883	5,023	2,711	
Total beef and veal :	6,388	5,140	5,436	7,808	5,239	
Pork:						
Fresh and frozen.....	1,366	1,936	1,394	2,607	2,280	
Hams and shoulders, cured or cooked.....	4,340	4,950	3,826	6,017	3,948	
Bacon 1/.....	4,162	3,421	3,399	2,618	6,131	
Other pork, pickled, salted or otherwise cured.....	2,226	2,260	1,730	3,276	3,722	
Hams and shoulders, canned....	208	156	172	385	181	
Other pork, canned.....	1,112	881	954	852	1,037	
Total pork.....	13,414	13,604	11,475	15,755	17,299	
Lamb and mutton (except canned	209	189	125	139	174	
Sausage, bologna, and frankfurters:						
Except canned.....	570	565	562	471	603	
Canned.....	1,030	288	306	385	321	
Total sausage.....	1,600	853	868	856	924	
Other meat and meat products canned.....	1,563	1,020	1,391	1,351	1,122	
Baby food, canned.....	285	364	457	553	208	
Total red meat exports :	23,540	21,170	19,752	26,463	24,966	
Horse meat (all kinds).....	1,633	913	712	638	243	
Variety meats (except canned):						
Beef and pork livers.....	8,890	3,578	10,506	12,885	13,072	
Beef tongues.....	5,354	4,791	5,923	5,878	5,179	
Other variety meats.....	2,380	2,167	3,374	3,831	3,998	
Total variety meats :	16,624	10,536	19,803	22,594	22,249	
Total red meat and meat products :	41,797	32,619	40,267	49,695	47,215	

1/ Includes Wiltshire and Cumberland sides.

Source: Official records of the Bureau of the Census.

WEST GERMANY ISSUES IMPORT
TENDER FOR POULTRY MEAT

On May 7, West Germany issued a new dollar import tender, of unannounced value, for slaughtered poultry.

Under this announcement only grade A whole birds, fully eviscerated, may be imported. Each package must carry an official grading and inspection stamp and each shipment must be accompanied by certificates DA 224 or PY 224.

Treatment with antibiotics either before or after slaughter is prohibited and no implanting or injection of estrogen or thyroid material before or after slaughter is permitted.

License applications will be limited to 20,000 deutschemarks (about \$5,000) and only dealers who have imported U. S. poultry meat between January 1, 1956, and March 31, 1959, can apply.

Licenses must be used within 60 days of issue; that is, the product so licensed must have cleared customs within that time limit. However, as soon as a license has been used in whole or in part, a new license, to the amount so utilized, may be applied for.

SWISS FOOD DISTRIBUTOR PLANS
INTEGRATED BROILER INDUSTRY

A leading Swiss farm journal reports that a large Swiss food distributing firm, important in poultry distribution, plans to establish an integrated system of local broiler production, processing, and marketing. The firm believes that, as in the United States, Swiss consumers will prefer fresh-dressed to frozen poultry.

Under the proposed program, broiler hatching eggs would be from lines selected by the food firm, presumably from the United States. The chicks, produced in the firm's central hatchery, would be distributed to several hundred small farms, where they would be raised to slaughter age under contract. Each farm would be provided with a prefabricated shed to house about 2,000 broilers.

With an estimated 4 to 5-fold turnover at each farm, the firm reportedly expects annual collections equivalent to 8 to 10 metric tons (18,000 to 22,000 pounds) of dressed poultry from each farm. The distributor would do the processing at a central packing plant. Although patterned after a type of integrated production now being carried on in the United States, the program would be scaled down to suit Switzerland's small-farm type of agriculture and maintain a large number of these farm units.

If this plan is carried out, it would stimulate demand for U. S. bred broiler multiplier stock.

FEWER HOGS IN ENGLAND AND WALES

Hog numbers in England and Wales--about 80 percent of total U.K. hog numbers--dropped 3 percent from an estimated 5,140,000 in April 1958 to 4,970,000 in April of this year. Breeding sow numbers also dropped--from 677,000 in 1958 to 564,000 in April 1959--indicating a continued reduction in hog numbers and pork production.

The United Kingdom is the world's largest importer of lard and pork. Denmark supplies the United Kingdom with most of its pork, while the United States is the largest supplier of lard. During 1958, the United States exported 146 million pounds of lard to the United Kingdom, 2 percent below 1957 exports. U.S. exports of lard to the United Kingdom during January-March 1959 have averaged 51 percent above the comparable 1958 period. Exports during the remainder of 1959 are expected to continue well above last year's due to increased U.S. production and decreased U.K. output.

CUBA AUTHORIZES LIMITED PRODUCTION OF HIGH-TEST MOLASSES IN 1959

On May 7, the Cuban Sugar Stabilization Institute authorized one of the centrals in Oriente Province to produce approximately 2.2 million gallons of special high-test molasses. This molasses will be manufactured to supply sales already made to two U.S. firms which will use it in making antibiotics, citric acid, and other pharmaceutical products. It must meet contract specifications for content of iron, total solids, soluble solids, and ash content.

Last season, Cuba produced nearly 79 million gallons of high-test molasses. Of that amount, more than 52.6 million gallons were sold for export, approximately 44.3 million gallons being exported by March 31, 1959.

High-test molasses, as the name implies, contains a relatively high percentage of sugars. It is manufactured in Cuba upon prior authorization and it--instead of sugar--is the end-product. Blackstrap molasses, on the other hand, is a byproduct of the manufacture of centrifugal raw sugar, and is considerably lower in sugar content than is high-test molasses.

In the 1958 crop season, Cuba produced 231 million gallons of blackstrap molasses in the process of producing 6.4 million tons of sugar. This year, if Cuba produces its goal of 6.6 million short tons of sugar, it will produce at the same time about 300 gallons of blackstrap molasses. Cuba has already assigned 81 million gallons of blackstrap for export, and 190 million gallons for local use or manufacture, including manufacture of alcohol for export. Of the last mentioned quantity, 100 million gallons have been allocated to specific distilleries for the manufacture of absolute alcohol, which in turn is to be mixed with gasoline for use in Cuba.

GHANA MID-CROP COCOA PRODUCER PRICE REDUCED

The Ghana Cocoa Marketing Board reportedly has decided to reduce the cocoa producer price starting with the mid-crop now being harvested. The reduced price is to be 14 cents per pound, down from the previous price of 16.8 cents per pound. If the mid-crop estimate of 15,000 long tons proves accurate, the reduction in the price paid to the farmer will increase the government's income from cocoa exports by about \$942,800.

The reduced price was originally suggested for the next 5 crop years as a contribution to the Second Development Plan (July 1, 1959 to June 30, 1964). A main agricultural objective of the plan is to raise cocoa yields.

CUBAN SUGAR CROP APPROACHES COMPLETION

The National Association of Sugarcane Growers of Cuba issued a report April 24, 1959, estimating Cuban sugar production to that date at 4,478,745 Spanish long tons (5.1 million short tons). This is 77.22 percent of the authorized production for this season. By the same date last year, 4,928,049 Spanish long tons had been produced, which was 87.83 percent of the authorized total for that season.

Production of blackstrap molasses thus far this year has been 232 million gallons, against 196 million for the same period last year.

DOMINICAN-SWISS COMMERCIAL TREATY SIGNED

A commercial treaty between the Dominican Republic and Switzerland was signed on May 4, 1959. The agreement contains the most-favored-nation clause and tariff concessions on Swiss watches and cheeses and Dominican bananas, divi-divi, and coconut oil, among other products.

BRAZIL'S COFFEE EXPORTS AHEAD OF LAST SEASON'S

Coffee exports from Brazil for the first 10 months of the 1958-59 marketing year (July-April) amounted to about 12.9 million bags. This is 1.5 million bags above the 11.4 million exported during the comparable period of 1957-58.

Receipts from coffee exports from Brazil have declined during the past 2 calendar years. In 1958, they amounted to \$687.5 million, against \$983.6 million and \$837.3 million, respectively, in 1956 and 1957. Prices during 1956 and 1957 were at approximately the same level, but in 1958, both volume and price of Brazilian coffee exports decreased.

BRAZIL SHIFTS EXCHANGE RATE FOR COTTON, SUGAR AND COCOA BUTTER

On April 22, Brazil took a further step toward simplification of its exchange rate system when the Superintendency of Money and Credit (SUMOC) transferred cotton and sugar from the third export category to the free market rate. Cocoa butter was shifted from the second category to the third.

The free market exchange rate for cotton and sugar is currently about 135 cruzeiros per U. S. dollar, compared with the third category rate of 100 cruzeiros. Cocoa butter moved from the second category rate of 70 cruzeiros per U. S. dollar. The immediate effect of this action is to lower the price of these products to the foreign buyer.

CUBA TO IMPORT HARD FIBER

Cuba is authorizing imports of 3 million pounds of sisal or henequen to be shipped prior to June 30, 1959.

Although Cuba has not imported hard fiber for many years, local production has declined considerably in recent years because of low prices on world and local markets. Many plantations have lacked adequate care and some have been abandoned. Only about half of the total acreage in henequen was harvested in 1958. Carryover stocks at the end of 1958 were estimated to be 27 percent smaller than a year earlier.

To revive interest in henequen, the government is said to be considering the payment of a subsidy to growers.

AUSTRALIAN BEEF SHIPMENTS TO THE U. S. IN APRIL

Two ships, the Port Lyttleton and Orontes sailed about mid-April with 11,110,000 pounds of frozen beef for the United States (2,880,000 pounds destined for the West Coast: 7,168,000 for the East Coast; and 1,062,000 for unspecified ports).

U. S. TALLOW EXPORTS RISE DURING JANUARY-MARCH

U. S. tallow shipments during January-March 1959 were 316 million pounds, up 11 percent from the corresponding period of 1958.

Italy continues to be the largest market for U. S. tallow; its imports increased substantially. Japan, another important market, increased imports slightly. Shipments to Mexico dropped sharply as imports have been restricted during the early months of this year. Current U. S. tallow prices are about one-half cent a pound lower than a year ago.

INEDIBLE TALLOW AND GREASES: U. S. exports, by country of destination, average 1951-55 annual 1957-58, and January-March 1958-59

Continent and country	Average 1951-55	1957	1958 1/	January - March		Increase or decrease (-)
	1951-55	1957	1958 1/	1958 1/	1959 1/	1959
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
North America:						
Canada.....	23,782	20,400	21,461	4,154	3,574	-580
Mexico.....	43,659	40,147	49,374	10,999	939	-10,060
El Salvador.....	3,842	2,103	1,017	134	341	207
Guatemala.....	3,693	5,856	8,659	1,576	1,709	133
Cuba.....	30,356	27,624	33,412	8,961	8,684	-277
Dominican Republic..	3,709	3,928	4,169	794	913	119
Other.....	6,623	7,516	8,016	2,281	1,772	-509
Total.....	115,664	107,574	126,108	28,899	17,932	-10,967
South America:						
Chile.....	6,097	157	236	3	83	80
Colombia.....	15,140	18,069	17,897	6,816	3,320	-3,496
Ecuador.....	6,124	10,332	9,446	1,925	2,579	654
Peru.....	9,769	8,876	6,875	1,396	971	-425
Other.....	4,574	7,527	7,141	1,402	2,300	898
Total.....	41,704	44,961	41,595	11,542	9,253	-2,289
Europe:						
Austria.....	6,897	4,427	3,246	441	332	-109
Belgium-Luxembourg..	61,071	31,977	24,281	3,881	6,406	2,525
France.....	10,913	9,024	142	136	---	-136
Germany, West.....	87,515	71,572	32,976	5,218	13,433	8,215
Ireland.....	6,126	865	79	23	---	-23
Italy.....	137,080	239,916	260,904	54,955	82,574	27,619
Netherlands.....	139,534	232,856	139,623	53,037	50,199	-2,838
Norway.....	3,346	1,176	1,006	373	544	171
Spain.....	2/ 1,741	35,423	1,392	338	330	- 8
Switzerland.....	33,485	15,863	7,569	1,337	2,334	997
United Kingdom.....	10,973	7,099	5,138	1,125	4,465	3,340
Poland.....	3/ 5,694	68,674	34,597	15,564	9,631	-5,933
Yugoslavia.....	19,053	26,732	31,828	5,531	3,946	-1,585
Other.....	8,838	4/ 60,255	7,651	2,200	2,863	663
Total.....	532,266	805,859	550,432	144,159	177,057	32,898
Africa:						
Egypt.....	34,408	66,977	70,960	13,937	9,213	-4,724
Rhodesia & Nyasland..	4,740	2,218	42	---	224	224
Un. of So. Africa..	52,211	40,590	28,156	9,553	9,377	-176
Other.....	4,593	5,198	13,268	2,782	2,733	- 49
Total.....	95,952	114,983	112,426	26,272	21,547	-4,725
Asia:						
China, Taiwan.....	15,434	22,239	19,362	4,915	9,441	4,526
Japan.....	161,025	223,096	216,819	56,105	57,886	1,781
Korea, South.....	9,283	15,046	16,537	4,533	10,667	6,134
Philippines.....	11,104	14,127	12,555	2,096	3,234	1,138
Other.....	12,942	5/ 43,886	23,610	4,813	8,537	3,724
Total.....	209,788	318,394	288,883	72,462	89,765	17,303
Australia and Oceania	2	---	---	---	---	---
Sample.....				6/ 200	6/ 386	186
Total.....	995,376	1,391,771	1,119,444	283,534	315,940	32,406

1/ Preliminary. 2/ 1955 only. 3/ Two-year average. 4/ Includes 25.1 million pounds to U. S. S. R. 5/ Includes 34.9 million pounds to Turkey. 6/ Includes a small quantity the final destination not known.

CANADA FORECASTS BIG JUMP IN HOG MARKETINGS

Hog marketings in Canada during April-June 1959 are expected to increase 47 percent over the same period of 1958.

The increase for July-September is estimated at 20 percent; but only a 4-percent increase over 1958-59 is expected for October 1959-March 1960.

HOGS: Canada, forecasts of marketings, April 1959 through March 1960 and percent change from year earlier

Area 1/	April-June		July-September		October-March	
	1959		1959		1959-60	
	1,000	Percent	1,000	Percent	1,000	Percent
	head	change	head	change	head	change
Eastern Canada.....	1,169.4	+55	1,061.3	+29	2,483.0	+11
Western Canada.....	973.1	+39	649.6	+8	1,996.1	-3
Total.....	2,142.5	+47	1,710.9	+20	4,479.1	+4

1/ Eastern Canada includes the Maritime, Quebec, and Ontario provinces; Western Canada includes all other provinces.

The above figures are recent adjustments of earlier hog farrowing estimates by the Dominion Bureau of Statistics (see Foreign Crops and Markets, March 2, 1959).

Hog carcasses graded in federally inspected plants between January 1, 1959, and April 25, 1959, totaled 2,797,673--a 39-percent increase over the same period of 1958.

U. S. LARD EXPORTS UP IN FIRST 3 MONTHS OF 1959

Lard exports during January-March 1959 were 141 million pounds, an increase of 34 percent over shipments during the corresponding period of 1958.

Shipments to Cuba increased as marketings to that country returned to normal. Exports to the United Kingdom and West Germany also increased as larger U. S. supplies were available at competitive prices.

Domestic lard production during January-March 1959 increased 12 percent. Lard prices in the United States are now about 3 cents per pound lower than a year earlier.

LARD (INCL. RENDERED PORK FAT: U. S. exports by country of destination, average 1951-55, annual 1957-58 and January-March 1958-59

Continent and country	Average 1951-55	1957	1958 1/	January-March 1958	1959	Increase or decrease (-) 1959
	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds	: 1,000 pounds
North America:						
Canada.....	6,497	26,611	5,108	2,272	1,111	-1,161
Mexico.....	31,823	11,782	14,565	2,886	3,478	592
Panama Canal Zone...	967	373	152	43	4	-39
Costa Rica.....	7,363	2,022	1,751	731	765	34
El Salvador.....	4,299	3,082	3,190	871	795	-76
Guatemala.....	8,668	4,853	3,476	1,797	1,291	-506
Panama.....	6,560	4,893	7,177	1,765	748	-1,017
Cuba.....	157,427	178,791	162,994	50,178	68,674	18,496
Dominican Republic..	2/ 352	22	47	--	10	10
Haiti.....	6,725	6,982	7,246	1,513	1,783	270
Netherlands Antilles	1,066	220	295	65	203	138
Other.....	1,518	2,360	1,375	309	560	251
Total.....	233,265	241,991	207,376	62,430	79,422	16,992
South America:						
Bolivia.....	3,755	4,681	696	--	40	40
Brazil.....	2,088	6,000	--	--	--	--
Colombia.....	3,359	936	--	--	--	--
Ecuador.....	5,494	4	--	--	--	--
Peru.....	12,521	2,770	585	303	842	539
Venezuela.....	3,640	991	402	137	263	126
Other.....	134	38	268	4	44	40
Total.....	30,991	15,420	1,951	444	1,189	745
Europe:						
Austria.....	23,579	7,514	1,100	1,100	--	-1,100
Belgium-Luxembourg..	1,005	348	42	11	15	4
France.....	1,104	--	140	--	--	--
Germany, West.....	55,978	17,779	10,928	753	10,200	9,447
Greece.....	2/ 14	10	2	--	--	--
Italy.....	593	2	3	--	--	--
Netherlands.....	33,114	9	--	--	522	522
Switzerland.....	1,725	73	--	--	--	--
United Kingdom.....	124,685	149,529	146,451	30,775	46,430	15,655
Yugoslavia.....	38,431	62,392	15,479	8,863	1,836	-7,027
Other.....	4,825	318	825	12	11	-1
Total.....	285,053	237,974	174,970	41,514	59,014	17,500
Africa.....	100	110	--	--	--	--
Asia.....	5,197	5,767	2,245	507	617	110
Océania.....	30	--	--	--	--	--
Other.....	--	--	--	3/ 72	3/ 338	266
World total.....	554,636	501,262	386,542	104,967	140,580	35,613

1/ Preliminary. 2/ Less than a 5-year average.

3/ Includes a small quantity, final destination not known.

ITALY LIFTS EMBARGO ON BEEF AND VEAL

On May 4, Italy lifted the embargo on imported beef and veal that was put into effect April 1, 1959. Beef and veal prices on the Italian market now exceed floor prices established under the embargo (see Foreign Crops and Markets, April 20, 1959).

Denmark, a principal beef and veal exporter to Italy, has resumed shipments and has agreed to regulate its exports so that there will be no need to reimpose the embargo. The Danish Ministry of Agriculture will allocate individual quotas for exporting firms on the basis of their sales to Italy in 1957 and 1958.

AUSTRALIA'S RICE CROP ADEQUATE FOR LARGER CONSUMPTION AND EXPORTS

Australia has a 1958-59 rice crop that should more than meet last season's high level of consumption and exports. Production is forecast at 245 million pounds of rough rice, even larger than the previous record of 238 million pounds in 1957-58. Average production from 1952-53 through 1956-57 was around 185 million pounds annually.

Territory Rice Limited, the new rice project in north Australia, planted about 5,000 acres in late 1958. About 3,500 acres are expected to be harvested. Just how much rice is being produced is not yet known.

Following the bumper 1957-58 crop (harvested principally in May), both rice consumption and exports increased. Consumption--3.5 percent larger in 1958--appears to be rising faster than population growth. Exports in 1958 gained 40 percent. Also, carryover stocks on January 1, 1959, were much above average.

Prices of 1958 milled rice exports were about 20 percent below the prices millers received from wholesalers, which were about \$8.00 per 100 pounds. Export prices of whole milled rice in December 1958 ranged between \$6.50 and \$7.30 per 100 pounds.

Domestic prices, having been strictly controlled by the Rice Marketing Board, have been stable in recent years. The wholesale price of milled rice is just under \$9.00 per 100 pounds. Rice retails in the cities at around 11.2 cents per pound in kraft paper bags, and at about 11.5 cents in cellophane bags.

Rice exports in 1959 are expected to be at the high 1958 level. However, since production above that of the last 2 years could reduce producers' prices, moves to stabilize short-grain production in New South Wales to around 100,000 long tons (225 million pounds) of rough rice may be expected. Until 1956-57, practically all rice was grown in that area.

RICE: Australian exports, by country of destination, 1957 and 1958

Country of destination			Country of destination		
	1957	1958		1957	1958
	:1,000	:1,000		:1,000	:1,000
	pounds	pounds		pounds	pounds
Milled rice:			Brown rice:		
Fiji.....	467	1,314	New Guinea.....	12,548	17,164
Gilbert and Ellice Is....	757	1,236	Papua.....	7,198	6,654
Netherlands New Guinea....	3,192	2,330	Other countries.....	452	803
New Caledonia.....	2,956	4,986	Total brown rice....	20,198	24,621
New Guinea.....	6,163	9,870	Broken rice:		
New Hebrides.....	3,506	4,165	Netherlands.....	1,145	3,632
New Zealand.....	5,678	5,010	New Hebrides.....	344	785
Papua.....	1,568	2,340	New Zealand.....	739	722
Solomon Islands.....	3,588	3,488	Solomon Islands.....	458	574
United Kingdom.....	8,339	17,438	United Kingdom.....	3,096	7,149
Western Samoa.....	1,421	990	Other countries.....	657	1,114
Other countries.....	3,146	2,743	Total broken rice....	6,439	13,976
Total milled rice.....	40,781	55,910	Total all exports....	67,418	94,507

Source: Commonwealth Bureau of Census and Statistics.

THAILAND SUSPENDS EXPORTS OF GLUTINOUS RICE

Thai exports of glutinous rice have been temporarily suspended since April 20. A shortage in glutinous rice has made it difficult to fulfil existing government-to-government contracts. Exports to Laos are not affected by the order.

Thailand has to fulfill a commitment for 20,000 metric tons of glutinous rice to Japan by July 1959. Domestic wholesale prices of glutinous rice in late April were \$3.78 to \$3.89 per 100 pounds, compared with \$3.35 to \$3.71 per 100 pounds in April 1958.

COMMUNIST CHINA TO EXPORT GRAINS TO UNITED ARAB REPUBLIC

Under a trade and payments agreement signed in Cairo on December 15, 1958, by the United Arab Republic and the People's Republic of China, the two countries are to export commodities to each other amounting in value to at least \$42 million during the first year of a 3-year period beginning September 23, 1958.

Included in a long list of raw materials, manufactured products, machinery, and agricultural products to be exported by Communist China to the United Arab Republic are rice, wheat, millet and corn. Quantities were not specified.

FINLAND BEGINS FLOUR EXPORTS

Finland is reported to have started wheat flour shipments, which will total 20,000 tons, destined for Syria, Lebanon, Jordan, Tangier and Libya. Since Finland has been exporting wheat received through barter from the U.S.S.R., it seems likely that the current flour shipments were milled from Russian wheat.

AUSTRALIA SEEDING LARGE
WHEAT ACREAGE

Prospects for Australia's 1959 wheat crop are good, following above-normal rains in most states.

Seeding for the 1959 crop is now taking place under favorable conditions, and total acreage is expected to be about 2 million acres larger than in 1958. This would be the largest acreage since 1949. Low wool prices during the past year are causing many farmers to turn to wheat for additional income, according to recent reports.

Rainfall has been so plentiful in recent months that eastern states have abundant subsoil moisture, and only moderate rains during the growing season will ensure good crops. Western Australia is still somewhat dry, but that is normal for this time of year, and the outlook there is also satisfactory, assuming that winter rainfall is normal.

If acreage is as large as expected and seasonal conditions continue favorable, the 1959 harvest may break the standing record of 220 million bushels produced in 1947--harvested from 13.9 million acres, well above this year's expected acreage. Yields that year, however, were only 15.9 bushels per acre--well below average.

ARGENTINE WHEAT SHIPMENTS
LARGER IN MARCH

Argentina exported 248,000 metric tons of wheat in March 1959, compared with 197,000 tons in February and 173,000 in March a year earlier. This increase was made possible by the large harvest early this year, and indicates that wheat shipments may continue at a high level during the next few months. Larger exports to Brazil accounted for most of the overall increase.

Total grain shipments during the first 9 months (July-March) of the 1958-59 fiscal year were about 23 percent above the 3.2 million tons exported in the comparable period of 1957-58.

Wheat and corn exports were above those a year earlier, while exports of rye, oats, and barley were down from last season's.

GRAIN: Argentine exports, July-March 1957-58 and July-March 1958-59

Country of destination	Wheat	Rye	Corn	Oats	Barley	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
July-March 1957-58:						
United States	—	—	25	—	—	25
Bolivia	3,000	—	—	—	—	3,000
Brazil	455,292	—	—	4,439	492	460,223
Chile	194,494	—	75	—	—	194,569
Paraguay	43,800	—	—	—	—	43,800
Peru	68,710	—	6,000	—	—	74,710
Austria	550	2,000	3,405	450	930	7,335
Belgium-Luxembourg	53,444	15,991	162,333	29,774	22,401	283,943
Denmark	13,622	3,850	2,375	36,256	—	56,103
Finland	—	21,515	—	800	—	22,315
France	12,300	—	4,085	510	1,490	18,385
Germany, West	259,296	62,083	72,005	80,980	259,309	733,673
Italy	84,259	52,901	222,633	67,400	48,873	476,066
Netherlands	67,474	59,696	158,236	83,638	55,527	424,571
Norway	1,000	6,825	—	—	—	7,825
Spain	4,800	—	—	—	—	4,800
Sweden	300	9,650	100	10,046	—	20,096
Switzerland	13,000	2,310	14,355	36,213	2,421	68,299
United Kingdom	201,817	953	9,970	25,632	1,030	239,402
Yugoslavia	1,000	—	—	2,990	8,295	12,285
Japan	—	—	13,074	—	—	13,074
North Africa	9,385	—	1,100	—	—	10,485
South Africa	16,660	—	—	—	1,300	17,960
Total	1,504,203	237,774	669,771	379,128	402,068	3,192,944
July-March 1958-59:						
United States	—	—	4,560	—	—	4,560
Bolivia	16,500	—	—	—	—	16,500
Brazil	825,765	—	—	7,552	2,000	835,317
Paraguay	43,038	—	—	—	—	43,038
Peru	80,349	—	—	—	—	80,349
Uruguay	—	—	472	—	940	1,412
Austria	10,713	—	9,870	—	—	20,583
Belgium-Luxembourg	59,990	4,970	160,902	8,777	5,711	240,350
Czechoslovakia	—	—	2,850	1,500	—	4,350
Denmark	19,799	6,200	10,513	15,076	950	52,538
France	30,621	—	5,664	—	—	36,285
Germany, West	245,052	12,598	120,747	54,767	105,407	538,571
Italy	13,055	9,083	462,055	13,946	21,142	519,281
Malta	—	—	203	—	508	711
Netherlands	98,422	14,776	417,012	43,317	12,503	586,030
Norway	6,450	—	6,958	—	—	13,408
Poland	—	—	3,960	—	—	3,960
Rumania	—	7,771	6,200	1,150	—	15,121
Sweden	800	9,481	3,650	5,490	500	19,921
Switzerland	300	646	13,866	420	950	16,182
United Kingdom	367,859	1,330	257,881	12,808	—	639,878
Yugoslavia	1,000	—	—	—	—	1,000
Japan	—	—	211,059	—	—	211,059
Lebanon	7,875	—	—	—	—	7,875
Madeira Islands	6,907	—	—	—	—	6,907
North Africa	—	—	1,785	—	—	1,785
South Africa	8,168	—	—	—	—	8,168
Total	1,842,663	66,855	1,700,207	164,803	150,611	3,925,139

Source: El Cerealista.

CANADA'S SPRING GRAIN SEEDING SLOWED

Generally cold, unsettled weather had hampered grain seeding progress over wide areas of Canada's Prairie Provinces at latest report. Especially in Manitoba, heavy rainfalls were causing delays. Intentional delays were also reported from each of the three Provinces, so that farmers could get a good weed kill before seeding.

Surface moisture supplies were generally satisfactory for germination of crops, but high winds were causing some soil drifting, especially in southern areas of Saskatchewan and Alberta. Pasture growth had been backward, but improvement in many areas was noted by mid-May.

VENEZUELA'S AGRICULTURAL IMPORTS FROM U. S. UP SLIGHTLY IN 1958

The United States continued to be the principal supplier of Venezuelan agricultural imports in 1958, sending about \$83.6 million worth, compared with about \$82.3 million worth in 1957. About 20 percent of Venezuelan imports are agricultural.

Venezuela's total imports reached \$1,439 million in 1958, 57.2 percent coming from the United States. These U.S. imports amounted to about \$390 million less than in 1957. Other prominent suppliers were West Germany with 8.4 percent, the United Kingdom with 7.3 percent, and Italy with 6.8 percent.

GREEK CURRANT AND SULTANA EXPORTS LOWER; DRIED FIG EXPORTS HIGHER

Exports of 1958-pack Greek currants through April 10 (54,471 short tons) were down about 9 percent from the export volume (59,576 tons) for the corresponding 1957-58 period. Though the export market was relatively slow as of mid-April, most of the remaining stocks--estimated as about 18,000 tons--were expected to be sold before the end of the season. The United Kingdom normally takes two-thirds of all Greek currant exports.

Because of the smaller 1958 pack, Greek sultana exports for the period ending March 31, at 35,794 tons, were down nearly 40 percent from the 57,823-ton level of the corresponding 7 months of the previous season. Between 9,000 and 10,000 tons of 1958-crop sultanas remained unsold on March 31. West Germany is the principal importer of Greek sultanas.

Greek dried fig exports amounted to 16,014 tons between September 1, 1958, and March 31, 1959. For the same 7 months of 1957-58, they were 13,416 tons. It is unofficially reported that an additional 1,600 tons of Greek dried figs moved between March 31 and April 10, leaving less than 700 tons in unsold 1958 stocks. The Greek trade doubts whether there will be significant production of fig paste from the 1959 crop, a view substantiated in part by the time needed to construct a suitable processing plant.

MEXICAN VEGETABLE SHIPMENTS THROUGH NOGALES HIGHER

Shipments of Mexican vegetables through Nogales, Arizona, increased during the last 15 days of April. Tomatoes, watermelons, and cantaloups accounted for 92 percent of the 60 million pounds. Tomatoes were 25 million pounds, compared with 39 million pounds the first half of April. Nearly all of the other vegetable tonnage was peppers, onions, snap beans, and garlic. Total crossings during April were 115 million pounds.

APRIL SHIPMENTS OF CUBAN FRUITS AND VEGETABLES TO U.S.

Cuba's lime export season opened on April 8, and by the end of the month 57,000 pounds had been exported to the United States, compared with 89,000 pounds in April 1958.

The mango export season started on April 20, and April exports to the United States totaled 182,000 pounds, compared with only 83,000 pounds in the same month last year.

Unfavorable prices in the U.S. market and labor problems in Cuba caused a sharp reduction in vegetable exports. There were no cucumber exports in April and only 206,000 pounds of tomatoes.

U.S. MEAT IMPORTS DROP

U.S. imports of all types of red meat dropped from 232 million pounds during the last quarter of 1958 to 205 million pounds during the first quarter of 1959--a decline of 12 percent. Imports for January-March 1959, however, were still 43 percent above the same quarter of 1958 (see table, page 22).

Imports of beef and veal, at 110 million pounds in the first quarter of 1959, were down 16 percent from the last quarter of 1958, but were 18 percent above the first quarter of last year. Imports of boneless beef and veal rose, while imports of all other categories dropped sharply. Imports are expected to remain high during the second quarter of 1959, but not as high as they were a year ago.

As a result of increased domestic production, pork imports in the first quarter of 1959 were not as large as a year earlier. They will probably continue below 1958 levels for the remainder of the year.

Lamb and mutton imports, sparked by rapid increases in boneless mutton shipments, rose sharply from 5.4 million pounds in October-December 1958 to 9.6 million pounds in January-March 1959. Imports may be expected to remain well above 1958 levels during the remaining 3 quarters of this year.

Imports of non-specified canned, prepared, or preserved meat continued to drop. Imports of this type of meat in 1959 are expected to be sharply below last year, due to changed in U.S. import regulations which prohibit imports of salted beef in brine from countries where there is foot-and-mouth disease.

**MEAT AND MEAT PRODUCTS: U.S. imports, product weight basis,
by quarters, January 1958 through March 1959**

Commodity	1958				1959
	Jan.-Mar.	Apr.-June	July-Sept.	Oct.-Nov.	Jan.-Mar.
	1,000	1,000	1,000	1,000	1,000
	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>	<u>pounds</u>
Beef and veal:					
Fresh, chilled or					
frozen beef.....	9,945	8,923	24,117	15,895	8,926
Fresh, chilled or					
frozen veal.....	1,413	1,733	5,118	5,243	3,123
Canned beef.....	26,771	28,315	23,523	34,828	13,190
Pickled beef.....	2,433	1,704	340	1,667	135
Boneless beef and veal.	52,826	79,623	79,073	74,332	84,911
Total beef and veal	93,388	120,298	132,171	131,964	110,285
Pork:					
Fresh, chilled or					
frozen.....	9,463	9,830	13,544	18,296	11,364
Hams, shoulders, and					
bacon.....	26,049	29,854	27,621	27,540	30,506
Other pork, pickled					
or salted.....	3,943	5,264	4,567	5,454	4,657
Sausage, except fresh..	285	193	299	548	315
Total pork.....	39,740	45,141	46,031	51,838	46,842
Lamb, mutton, and goat:					
Fresh, chilled or					
frozen lamb.....	508	3,001	2,032	1,261	1,369
Fresh, chilled or					
frozen mutton					
and goat.....	960	6,725	5,397	4,092	8,217
Total lamb, mutton,					
and goat.....	1,468	9,726	7,429	5,353	9,586
Other meat, canned,					
prepared or preserved..	8,316	29,543	60,394	43,149	38,058
Total red meat					
imports.....	142,912	204,708	246,025	232,304	204,771

Official records of the Department of Commerce.

MEXICO RESTRICTS CATTLE AND BEEF EXPORTS TO U.S.

To protect its domestic meat supply, Mexico has placed a quota on the number of cattle that can be exported and slaughtered for export to the United States. The quota is reported to have been set at 150,000 head for the period March-April 1959, and at 180,000 head for each of the periods May-June and July-August.

These quotas will be administered by the "livestock unions" of the States of Coahuila, Chihuahua, Durango, Nuevo Leon, Sonora, Tamaulipas, San Luis Potosi, and Zacatecas.

SUEZ CANAL SOYBEAN SHIPMENTS LARGE IN FEBRUARY

Northbound shipments of oilseeds through the Suez Canal in February were one-fourth above those in February 1958.

An exceptionally large volume of soybeans--a monthly record in recent years--more than accounts for the increase, but was partially offset by the small tonnage of copra. In only 1 month--May of 1955--has a smaller quantity of copra been shipped through the Canal in the last 10 years.

OILSEEDS: Northbound shipments, Suez Canal, February 1958 and 1959, October-February 1957-58 and 1958-59

Commodity	February		October-February	
	1958	1959	1957-58	1958-59
	1,000	1,000	1,000	1,000
	short tons	short tons	short tons	short tons
Soybeans 1/	52.9	133.4	99.2	336.2
Copra.....	71.6	30.8	417.8	230.4
Peanuts.....	16.5	11.0	76.1	65.0
Cottonseed.....	4.4	9.9	66.1	47.4
Flaxseed 2/	6.6	5.5	20.9	12.1
Others.....	9.9	25.4	86.0	91.5
Total.....	161.9	216.0	766.1	782.6

1/ To convert to bushels use 33.3 bushels per ton. 2/ To convert to bushels use 35.7 bushels per ton.

Source: Suez Canal Authority, Monthly Bulletin (Cairo, Egypt).

Soybean shipments through the Suez Canal--practically all from Communist China--totaled 11.2 million bushels during October-February. Only 3.3 million bushels moved in the comparable period of 1957-58. During October-December a large quantity of soybeans from Communist China were sold in Western Europe, but marketing reports for January and February indicate sharply reduced shipments. Apparently most of the January and February soybean shipments were destined for East European countries.

MEXICO PRODUCING LESS OILSEED IN 1959;
SUBSTANTIAL STOCKS REDUCE IMPORT NEEDS

Mexico's production of oilseeds and oilbearing materials in 1959 is expected to be about 20 percent less than in 1958 because of a sharp decline expected in cottonseed output. Production of all fats and oils, including lard and tallow, probably will be slightly less than last year. While output of vegetable oilbearing materials increased around 10 percent in 1958, vegetable oil output was slightly lower, and there was a heavy carryover of cottonseed and sesame seed for crushing in 1959.

FATS AND OILS: Mexico, production, 1957-58 and forecast 1959

Commodity	1957	1958	Forecast 1959
	1,000	1,000	1,000
	short tons	short tons	short tons
Edible vegetable and palm oils:			
Cottonseed.....	125.0	127.3	107.5
Coconut.....	75.4	60.8	70.1
Palm.....	12.9	12.9	13.7
Sesame.....	48.0	53.6	54.5
Peanut.....	2.3	5.5	2.8
Other.....	3.6	5.2	5.7
Total.....	267.2	265.3	254.3
Animal fats:			
Lard.....	61.5	61.5	63.9
Tallow.....	28.8	31.7	33.1
Total.....	90.3	93.2	97.0
Total interchangeable fats and oils <u>1/</u>	357.5	358.5	351.3
Industrial oils:			
Linseed.....	4.3	4.6	4.7
Castor.....	2.6	3.1	3.1
Total.....	6.9	7.7	7.8
Total fats and oils.....	364.4	366.2	359.1

1/ Used interchangeably for edible oils and for soap.

Compiled from official and trade sources.

The large cotton crop of 1958 resulted in a substantial carryover of cottonseed oil and cottonseed on January 1, 1959. The carryover of fats and oils plus expected production probably will supply domestic needs for the first half of 1959. The deficit for the last half of the year is expected to be about 43,000 tons, or one-fourth less than imports in 1958. Edible oil imports are forecast at 22,000 tons, lard 5,000 tons, and tallow 16,000 tons.

FATS AND OILS 1/: Mexico, supply and distribution,
annual 1957-58 and forecast 1959

Supply and Distribution	1957	1958	Forecast 1959
	1,000	1,000	1,000
	<u>short tons</u>	<u>short tons</u>	<u>short tons</u>
Supply:			
Stocks, January 1.....	62.2	65.9	71.1
Production.....	357.5	358.5	351.3
Imports.....	29.5	58.8	43.2
Total supply.....	449.2	483.2	465.6
Distribution:			
Exports.....	.6	.8	.6
Consumption.....	382.7	411.3	411.5
Stocks, December 31.....	65.9	71.1	53.5
Total distribution.....	449.2	483.2	465.6

1/ Fats and oils used interchangeably for edible oils and for soap. Excludes industrial oils (linseed and castor).

Compiled from official and trade sources.

INDIAN VEGETABLE OIL CONSUMPTION
CLIMBS FASTER THAN PRODUCTION

India's rapidly increasing population and improved living standards are causing a sharp upturn in Indian use of vegetable oils as food and for industrial purposes. At the same time, domestic oilseed production has increased only moderately and demand has overtaken supplies. This situation has caused a rapid rise in prices of Indian oilseeds and oils--especially edible oils--and prices now are generally somewhat above world prices.

High domestic prices have handicapped the government campaign to increase exports of oilseeds and oils as a means of earning much needed foreign exchange. And the foreign exchange shortage precludes the possibility of importing suitable quantities of oils or oilseeds in order to bring prices back into line.

In an effort to alleviate the short supply situation, the government is (1) encouraging expansion of the cottonseed crushing industry. Less than one-eighth of a total annual cottonseed crop of almost 2 million tons is now crushed for oil; (2) introducing new cultural methods and providing better varieties of seed for oilseed crops now being grown; and (3) encouraging replacement of present oilseed-processing plants with the more efficient solvent extraction units.

Also, as a long-range possibility, plans are underway for introducing oil palms in the state of Kerala and other suitable areas. (Continued on following page)

India's 1958-59 production of the 5 principal oilseeds--excluding cotton-seed--was about 10 percent above the 2 previous years. Practically all the increase is attributable to favorable weather, since acreage was down slightly. The only crop with a smaller outturn this year was sesame; this decline was evidently due to farmers' aversion to sesame because of the relative uncertainty of yield and profit from this crop.

OILSEEDS: India, acreage and production by kind, 1956-57 and 1957-58, estimated 1958-59

Oilseed	Acreage				Production			
	1956-57	1957-58	1958-59	1/	1956-57	1957-58	1958-59	1/
Peanuts (unshelled) 2/	13,450	14,876	14,481		4,704	4,968	5,394	
Rape and mustard 3/	6,311	6,050	6,500		1,149	1,104	1,176	
Sesame seed 2/	5,446	5,268	5,000		495	407	390	
Flaxseed 3/	4,156	3,318	3,400		430	304	360	
Castor beans 3/	1,415	1,325	1,450		139	109	135	
Total.....	30,778	30,837	30,831		6,917	6,801	7,455	

1/ 1958-59 data are unofficial estimates except for peanuts. 2/ Harvested mainly in September-December of the first year shown. 3/ Harvested mainly January-April of the second year shown.

Compiled from official and other sources.

YUGOSLAV IMPORTS AND SUPPLIES OF EDIBLE OILS HIGH IN 1959

Yugoslav imports of edible oils in 1959 may set a new record. All of the imports will be under Title I of Public Law 480. Around 45,000 short tons are programed for delivery before July 1, 1959, and authorizations have been issued for purchase of the entire quantity.

For several years prior to 1958 Yugoslavia imported varying quantities of soybeans and peanuts from Red China, but took none in 1958. A recently concluded trade agreement between Yugoslavia and Red China provides for Yugoslav purchases of almost 2 million bushels of soybeans this year. A contract has been signed for delivery of 770,000 bushels (see Foreign Crops and Markets, April 20, 1959).

The marketing outlook for the next several years is for an increase in oilseed imports at the expense of vegetable oils. The Yugoslav oilseed processing industry is now operating at about 50 percent of capacity and would like to increase oilseed imports. Also, demand for oilseed meals should strengthen because livestock numbers are increasing, feeding practices are improving, and several mixed feed plants are under construction.

EDIBLE FATS AND OILS 1/: Yugoslavia, supply and distribution,
calendar years 1957 and 1958

Item	Vegetable		Lard		Total	
	oils 2/					
	1957 3/	1958 4/	1957 3/	1958 4/	1957 3/	1958 4/
	1,000	1,000	1,000	1,000	1,000	1,000
	short	short	short	short	short	short
	tons	tons	tons	tons	tons	tons
Supply:						
Stocks, January 1.....	4.4	6.6	30.9	18.7	35.3	25.3
Production from:						
Domestic materials.....	16.2	31.3	104.7	108.0	120.9	139.3
Imported materials.....	10.0	2.0	.0	2.2	10.0	4.2
Imports.....	21.8	38.6	28.4	29.2	50.2	67.8
Total supply.....	52.4	78.5	164.0	158.1	216.4	236.6
Distribution:						
Direct consumption.....	43.0	50.2	143.3	136.6	186.3	186.8
Industrial use 5/	2.8	4.4	2.0	1.7	4.8	6.1
Exports.....	.0	.0	.0	.0	.0	.0
Stocks, December 31.....	6.6	23.9	18.7	19.8	25.3	43.7
Total distribution.....	52.4	78.5	164.0	158.1	216.4	236.6

1/ Excludes butter, of which an estimated 22,000 tons was consumed in 1958.
2/ Includes the oil equivalent of margarine and shortening. 3/ Revised; the large changes in 1957 vegetable oil figures since publication in Foreign Crops and Markets, December 29, 1958, resulted from revised methods of computing olive oil data. 4/ Preliminary. 5/ Used by the fish canning, margarine, and shortening industries.

JAPAN TO ALLOW LARGER COTTON
IMPORTS IN CURRENT FISCAL YEAR

Japan recently announced that foreign exchange would be allocated for the importation of 2,193,000 bales (500 pounds gross) of cotton during the 1959 Japanese fiscal year (April-March). This is 393,000 bales or 22 percent above the imports planned for last fiscal year, and is 35 percent above actual purchases last year. This year's planned import increase was based on a predicted improvement in the cotton textile situation in Japan.

CANADA USING MORE COTTON

Canadian cotton consumption during April 1959 amounted to 35,000 bales (500 pounds gross). This was an increase of 3 percent from March consumption of 34,000 bales, and was 21 percent above the 29,000 bales used in April 1958.

Consumption during August-April 1958-59 totaled 283,000 bales--up 5 percent from the 269,000 bales used in the corresponding period last season.

AUSTRALIAN COTTON IMPORTS UP

Cotton imports into Australia during the first 5 months (August-December) of the current season rose to 42,000 bales (500 pounds gross), an increase of 45 percent from the 29,000 bales imported in the same months of 1957-58. This sizable increase apparently was the result of stock rebuilding, since consumption was slightly below a year earlier. Stocks declined to fairly low levels early this season as mills tended to limit their raw cotton purchases while prices were on a downtrend.

Imports from the United States were 29,000 bales, in contrast to 23,000 in August-December 1957-58. This represented a volume increase of 26 percent, although the U. S. share of Australia's total imports declined to 69 percent in the period under review, from 79 percent of the total a year earlier. Imports from Mexico, 10,000 bales, were double those of a year earlier. Small quantities were received from India, Peru, Pakistan, and Sudan.

Cotton consumption by Australian mills during August-November of this season amounted to 31,000 bales--down slightly from the 32,000 bales used in the corresponding months last season. Weaker demand for cotton goods and increased textile imports from various Asian countries resulted in an accumulation of finished goods stocks at both the wholesale and retail levels. Although these stocks were not considered burdensome, buyers tended to be more cautious and placed their orders more slowly than in previous years.

The 1958-59 cotton crop in Australis is estimated at 4,000 bales. Last season's crop was 3,000 bales.

AUSTRIAN COTTON IMPORTS AND CONSUMPTION DOWN

Austria's imports of cotton during August-January 1958-59 were 50,000 bales (500 pounds gross)--down 7 percent from high-level imports in the first half of last season. The U.S. share of the Austrian import market declined from 41,000 bales (76 percent) of the total during the first 6 months of 1957-58 to 28,000 bales (56 percent) this season, reflecting a shift to lower-priced growths from other countries.

Imports from the U.S.S.R. also declined during the period under review. Increased quantities were received from British East Africa, Peru, and Mexico. Quantities imported from sources other than the United States during August-January 1958-59, with comparable 1957-58 figures in parentheses, were: U.S.S.R. 6,000 bales (7,000); British East Africa 5,000 (0); Peru 5,000 (1,000); and Mexico 2,000 (0).

Austrian mills are expected to restrict their cotton purchases even further during the remainder of this season in anticipation of lower-priced U.S. cotton after August 1, 1959.

The Austrian textile industry was affected considerably this season by the general European textile recession. However, since the cotton industry has a fairly stable domestic market and does not depend as heavily on export markets as other segments of the textile industry, it suffered the least. In fact, cotton consumption of an estimated 55,000 bales during the first half of this season was only 5 percent below the record level a year earlier.

Cotton stocks on January 31, 1959, were estimated at 25,000 bales, composed with stocks of 30,000 bales on August 1. U.S. cotton accounted for about 36 percent of the January 31 stocks, compared with 57 percent last August 1.

CUBA WILL FINANCE PLANTINGS OF SOYBEANS AND COTTONSEED

The Agricultural and Industrial Bank of Cuba reportedly will finance plantings of about 10,000 acres of soybeans and 10,000 acres of cotton during 1959.

This is expected to produce 200,000 bushels of soybeans and 3,500 short tons of cottonseed for crushing during 1959-60. Except for peanuts, these will be the first oilseeds produced commercially in Cuba.

The soybeans will be processed at the new vegetable oil extraction plant in Havana which is currently crushing about 150 tons of soybeans daily, all imported from the United States. Construction of 2 more oilseed processing plants is scheduled to begin this fall, each expected to have an annual capacity of about 7,000 tons of soybeans.

In 1958, Cuba imported 21,268 tons of vegetable oils, an increase of less than 1 percent from 1957. Due to a short domestic peanut crop, peanut oil imports were up substantially, mostly at the expense of olive and soybean oils. Over half of Cuba's vegetable oil imports are from the United States (see table on following page).

Cuban peanut production in 1958 is estimated by trade sources at 8,000 short tons, down one-fifth from 1957. The drop resulted from failure to harvest the secondary crop because of civil unrest during December and January. A crop of 15,000 tons is forecast for 1959.

VEGETABLE OILS: Cuba, imports by kind from the United States
and total, 1957 and 1958

Vegetable oil	1957			1958		
	From the:	Other	Total	From the:	Other	Total
	U.S.			U.S.		
	Short	Short	Short	Short	Short	Short
	tons	tons	tons	tons	tons	tons
Edible 1/:						
Olive.....	---	8,462	8,462	---	7,745	7,745
Soybean.....	5,010	---	5,010	4,244	---	4,244
Peanut.....	390	---	390	1,606	---	1,606
Cottonseed.....	106	---	106	143	---	143
Coconut.....	1,043	---	1,043	916	---	916
Other.....	57	---	57	44	---	44
Total.....	6,606	8,462	15,068	6,953	7,745	14,698
Inedible 1/:						
Olive.....	5	---	5	5	---	5
Soybean.....	1,232	---	1,232	1,320	---	1,320
Peanut.....	821	---	821	720	---	720
Cottonseed.....	342	---	342	90	---	90
Coconut.....	1,059	1,187	2,246	1,802	1,046	2,848
Linseed.....	932	547	1,479	2/1,047	2/ 496	2/ 1,543
Other.....	4	---	4	43	---	43
Total.....	4,395	1,734	6,129	5,027	1,542	6,569
Total oil...	11,001	10,196	21,197	11,980	9,287	21,267

1/ As classified by Cuban importers. 2/ Estimated.

Compiled from ships' manifests.

PHILIPPINE COPRA EXPORTS
REPORTED IN DETAIL

Philippine copra and coconut oil exports for January-April were reported in Foreign Crops and Markets, May 18, 1959. A detailed tabulation follows.

COPRA: Philippine Republic, exports by country of destination,
April and January-April 1958 and 1959

Country of destination:	April		January-April	
	1958 1/	1959 1/	1958 1/	1959 1/
	Long tons	Long tons	Long tons	Long tons
North America:				
United States.....	30,000	24,684	79,413	87,913
Pacific Coast.....	(30,000)	(24,684)	(79,413)	(87,913)
Canada.....	---	---	1,800	---
Total.....	30,000	24,684	81,213	87,913
South America:				
Colombia.....	3,900	---	19,653	---
Venezuela.....	1,500	1,500	3,000	7,872
Total.....	5,400	1,500	22,653	7,872
Europe:				
Belgium.....	4,000	---	4,000	---
Denmark.....	---	500	4,800	1,000
France.....	1,000	---	4,310	---
Germany, West.....	4,250	2,000	20,215	12,830
Italy.....	1,500	---	2,900	---
Netherlands.....	5,000	3,860	60,793	33,114
Norway.....	---	---	500	500
Spain.....	---	---	---	3,500
Sweden.....	3,000	---	3,500	500
Optional discharge 2/	---	---	26,577	379
Total.....	18,750	6,360	127,595	51,823
Asia:				
Israel.....	---	---	3,020	---
Lebanon.....	---	---	2,700	---
Syria.....	---	---	---	1,500
Total.....	---	---	5,720	1,500
Grand total.....	54,150	32,544	237,181	149,108

1/ Preliminary. 2/ West Germany, Netherlands, or Belgium.

Source: Philippine trade sources.

COCONUT OIL: Philippine Republic, exports by country of destination,
April and January-April 1958 and 1959

Country of destination:	April		January-April	
	1958 1/	1959 1/	1958 1/	1959 1/
	Long tons	Long tons	Long tons	Long tons
North America:				
United States.....	6,018	3,123	23,424	16,149
Atlantic Coast.....	(6,018)	(2,575)	(23,424)	(14,178)
Pacific Coast.....	(---	(548)	(---	(1,971)
Cuba.....	---	---	350	---
Total.....	6,018	3,123	23,774	16,149
Europe:				
Netherlands.....	3,724	2,775	3,724	4,145
Total.....	3,724	2,775	3,724	4,145
Grand total.....	9,742	5,898	27,498	20,294

1/ Preliminary.

Source: Philippine trade sources.

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